IN THE

Supreme Court of the United States

OCTOBER TERM, 1953

NO. 672

IVAN N. FRAVER,
Petitioner,

v.

THE STUDEBAKER CORPORATION,
Respondent.

REPLY BRIEF FOR PETITIONER

Petitioner is not seeking a review of findings of fact of any lower court since the jury was the fact finder. Petitioner is fully satisfied with the verdict of the jury of validity and infringement, but is dissatisfied with the court's setting aside of this verdict for alleged matters of law which, in reality, are clearly of fact.

Respondent vaguely objects to petitioner's statement and questions presented but fails to point out a single instance of error in any of petitioner's statements or references to the record in support thereof for the simple reason that they are true. Respondent erroneously fails to state its own adoption and commercially successful use of the invention. It admitted, at the pre-

trial conference, that it sold over 8 million dollars worth of accused units at a profit of about ¾ million dollars (R. 40-41).

The basic issue in this case is whether it is the province of the jury or court to determine the question of whether or not admitted differences or "variations" between a patented novel combination and the prior art are such as would have been obvious to a person having ordinary skill in the art. The District Court treated this question as one of law, instead of fact, therefore, in direct conflict with the consistent decisions of this court (Pet. br. pp. 14, 18).

Respondent cites (p. 4) Brady v. Southern Railway Co. which is not apposite, being a negligence case wherein this Court merely held that there was not even a "scintilla" of evidence on the crucial question of negligence of the carrier for consideration by the jury. This court said (p. 479) "The weight of the evidence under the Employers' Liability Act must be more than a scintilla before the case may be properly left to the discretion of the trier of fact—in this case the jury." And (at p. 480) "Our conclusion is that there is failure to show in the record any negligence of the carrier. * * *" Therefore, this case, also Pennsylvania Railroad v. Chamberlain and Pennsylvania Railroad Co., v. Martin, merely relate to a complete lack of evidence that could support a jury's verdict. Such is not the case here, nor has it been asserted by the District Court.

It certainly cannot be fairly stated that the evidence was entirely one-sided so that the only reasonable verdict could have been for respondent, or that it did not require weighing of the credibility of witnesses. The

jury for almost two weeks heard much conflicting testimony of expert witnesses of petitioner and respondent (pet. br. p. 16) including the Master's report; it examined, and heard extrinsic testimony of respondent's expert concerning, many prior patents (R. 404-477) and viewed several physical exhibits; it witnessed physical demonstrations and tests in open court clearly showing the identity of operation of the elements of petitioner's and respondent's combinations, particularly the chambers (R. 376-379). The court, in view of this conflict in testimony, submitted the questions of "validity" and "infringement" for determination by the jury, and all twelve jurors found, on their oaths, that claim 1 was valid and infringed; that the elements of the patented and accused combinations were identical, or at least equivalent, in accord with this Court's recent (1950) Graver v. Linde decision (pet. br. pp. 20-21). All three of petitioner's experts found that the accused device clearly met the terms of claim 1, therefore was an infringement. (R. 42-157). Likewise the Patent Office considered petitioner's combination patentable after considering and discarding the same Cooke patent which the Court considered the most pertinent prior art (p. 211; R. 32a).

On the issue of validity, respondent cites (p. 4) Capital Traction Co. v. Hoff, a negligence case, which is not pertinent.

The District Court casually mentioned, among other things, (p. 211) that the standards of invention were not met. But the *only* reasons given for this conclusion were *factual* and not matters of *law*. More specifically, the Court previously stated, as its reasons for this conclusion (p. 211), that the claim and every component thereof was

"substantially" anticipated and "obvious to one skilled in the art", citing in support thereof Cook, Cooke, Crowther and Pickwick Bus as the most pertinent prior art. But the Court admitted their failure to meet the terms of claim 1 by saying:

> "The only noticeable variation is that the space under Fraver's seats is enclosed by the floor, seat cushion and the supporting means, the latter (he argues) covered by permeable material; but this variation in the underseat construction could scarcely be considered as a contribution to the art."

Then the Court admitted a still further "variation" by saying "It is true that the prior art last mentioned is disclosed on streetcars etc." There were also additional "variations" (pet. br. p. 32). Then the Court concluded by saying (p. 211) *"Therefore,* * * * it is evident in the light of the prior disclosures that the standards of invention were not met and that his patent was anticipated, lacks novelty, and, in 1933, was obvious to those skilled in the art." (Emphasis added) Thus the Court treated the factual questions of whether the device was a "contribution to the art" and whether "obvious to persons skilled in the art" as questions of law rather than of fact. This is clear error and contrary to the decisions of this Court (pet. br. pp. 14-18) including the cited recent decision of Thomson Co., v. Ford Motor Co., in which this Court unequivocally held:

> "The question whether an improvement requires mere mechanical skill or the exercise of the faculty of invention, is one of fact; and in an action at law for infringement is to be left to the determination of the jury."

Petitioner does not dispute that respondent's invention must come within the Constitutional provisions of Article 1, Section 8. This was to "encourage" (not discourage) invention by giving Congress power "to promote the progress of science and useful arts by securing * * * to authors and inventors the exclusive right to their respective writings and discoveries." The word "science" meant general knowledge or learning (L:scire) and not pure science as known today, and applied only to the copyright provision, whereas discoveries (or inventions) at that time, were called "useful arts". Certainly petitioner promoted the progress of the useful arts even by respondent's own undisputed admissions that the patented combination constitutes the "world's most advanced fresh air heating, ventilating and defrosting system" and by respondent's own admissions, of many listed new and unusual results of the novel combination (Pl. Ex. 15, Appendix 2) (R. 32a-34a). Moreover, all three of petitioner's experts also testified accordingly.

Petitioner's invention also clearly meets the Statutory requirements. The Patent Act of 1952, Section 101 states:

> "Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title. (R. S. 4886; 35 U.S.C., 1946 ed., 31.)

Section 103 (pet. br. p. 40) summarizes the existing law on "invention" by saying that a patent may not be

obtained "if the differences between the subjectmatter sought to be patented and the prior art are such that the subjectmatter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subjectmatter pertains." Thus the question of "invention," as always, turns on the factual question of "obviousness."

The District Court did not assert lack of compliance with any of the above Constitutional or statutory requirements. Instead, the court treated the question of "obviousness" to persons skilled in the art as a question of law, instead of one of fact, and usurped the function of the jury in making this determination, directly contrary to the decisions of this Court. Now, if the recently enacted Patent Act of 1952 is not in accord with the Constitution, or is an incorrect statement of the law, this Court should declare it unconstitutional because certainly it is considered as summarizing existing law and as the proper guide for determining patentability.

Respondent challenges the correctness of consistent decisions of this Court for over 150 years which hold questions of invention (or obviousness) and infringement as questions of fact for determination by the jury. Respondent cites Mahn v. Hardwood, asserting that this Court, back in 1884, held "patentable invention" to be a matter of law for the court. But since the many decisions of this Court holding this question as one of fact were later in time (pet. br. pp. 14, 15) they clearly represent the present law.

Respondent misconstrues the A & P case (p. 6) as holding that the question of patentable invention is one of law. On the contrary the *majority* opinion held that

resolving conflicting testimony on invention is a determination of fact. While it is true that the concurring opinion of Justices Douglas and Black held the question of validity as one of law, citing Mahn v. Harwood, *supra,* this can hardly be said to be a clear statement that this Court has overruled its consistent holdings that this is a question of fact.

But regardless whether validity or infringement are questions of law or fact, or mixed law and fact, the more important and outstanding issue in this case is whether the court may disregard the verdict of a jury, supported by testimony of at least three outstanding expert witnesses of petitioner, to the effect that petitioner's combination was novel and constituted a very significant contribution to the art, and that the accused structure clearly met the terms of the claim and was technically identical to and an infringement of petitioner's patent. That their views were "reasonable" is emphasized by the fact that they coincide with the views of the Patent Office on exactly the same issue concerning pertinency of the Cooke patent which the Patent Office discarded but which the Court considered anticipatory and as the most pertinent prior art. Moreover it is supported by respondent's own admissions hailing the combination as "the world's most advanced fresh air" system (Pl. Ex. 15) and listed many new and unusual results of the combination. (pet. br. pp. 32-34).

Therefore, it cannot be fairly said that the evidence was so one-sided that the jury's verdict of validity and infringement could not possibly be considered reasonable.

Respondent has not cited a single decision of this Court, nor does it appear one exists, justifying a court in resolving conflicting evidence on invention or obviousness and vacating a jury's verdict of validity or infringement when supported by evidence. Respondent cites (pp. 6, 7) decisions of other Courts of Appeals and further showing conflict. However, each case has its own peculiar facts. None has gone as far as the court in the present case. For instance, in Packwood v. Briggs and Stratton, the patented combination was admittedly an old one and fully shown by a single prior patent to Knight. The real question was whether a new "use" of an old combination is patentable. But the Statute does not provide for new "uses," but merely new "inventions." The jury in that case brought in a *qualified* verdict of validity "as to lawn mowers only" which would have made Briggs and Stratton an infringer even though it followed the teachings of an expired patent to Knight, thus raising a question of law.

Cutter Laboratories v. Lyophile-Cryochem, cited by respondent, upheld the jury's verdict of validity and infringement as to a number of claims because the evidence was not one-sided.

Respondent asserts (p. 3) "The issue of validity required nothing but the comparison of written documents, namely, the plaintiff's patent with prior patents and trade publications, the authenticity of all of which was admitted." But the instant case does not involve merely the comparison of legal documents to note their exact identity, such as the renewal and original patent applications in Heald v. Rice, cited by respondent. When patented structures are compared which are admittedly

different or have, in the words of the court, "variations," over the prior art, this is not a matter of comparison of *documents* but of *structures,* involving not only indentity but equivalence of operation, which are clearly questions of fact. In Battin v. Taggert, cited in petitioner's brief, this Court stated (p. 84): "There are other questions of fact which come within the province of a jury; such as the identity of the machine used by the defendant with that of plaintiff's, or whether they have been constructed and act on the same principle." See also *Tyler v. Boston,* 74 US 327, 330, Bischoff v. Wethered, Tucker v. Spalding, and Turril v. Railroad Co., also cited, wherein this Court held that the matter of comparing a patent in suit with prior patents is one of fact for the jury and not one of law for the court. In the Bischoff case this Court explained (p. 816): "This view of the case is not intended to, and does not, trench upon the doctrine that the construction of written instruments is the province of the court alone. It is not the *construction of the instrument* but the *character of the thing invented,* which is sought in questions of identity and diversity of inventions."

And to show that this is still considered the law the recent decision of *B. F. Sturtevant Co. v. Mass Hair and Felt Co.,* 122 F2 900 (CA 1-1941) c.d. 315 US 823) held the question of patentability as one of fact, citing *Thomas Spot Welder v. Ford Motor Co.,* 265 US 445, and held (p. 908):

> "The question of priority of invention, even when the attempt is made to invalidate a patent by showing an earlier one rather than by merely showing prior general knowledge and use, is, like the question of patentable invention, one of fact.

> Walker on Patents, Deller's Edition Sec 61, United States v. Esnault-Petterie, 303 US 26, 30, 31. The reason for this is that 'It is not the *construction of the instrument,* but the *character of the thing invented,* which is sought in questions of identity and diversity of inventions.' Bischoff v. Wethered, 9 Wall 812, 76 US 812, 816."

The latest pronouncement by this Court that infringement and equivalency are questions of fact is in Graver v. Linde (pet. br. pp. 20, 21) decided 1950 in which this Court held "If the accused matter falls clearly within the claim, infringement is made out and that is the end of it." (All three of petitioner's experts testified that the accused device fell clearly within claim 1.) This Court then went on to say that there is another test in the event the accused matter does not fall within the terms of the claim, namely, whether the elements are "equivalent," which this Court held to be a "finding of fact" which could be proved "through testimony of experts or others versed in the technology". This Court said "Like any other issue of fact, final determination requires a balancing of credibility, pursuasiveness and weight of evidence." This Court also held therein that the doctrine of equivalents operates in favor of the patentees of both pioneer and secondary inventions, and that "equivalency" is not a prisoner of formula requiring complete identity for every purpose and in every respect. The jury heard considerable testimony of petitioner's experts concerning identity, or equivalency, of the various elements of the patented and accused combinations: Extrinsic evidence was called upon to explain terms of art such as "chamber" (R. 47-48, 50).

There was considerable dispute of fact concerning the operation of the accused device. (pet. br. p. 16) The credibility of witnesses was very much involved on the question of whether the accused device had a "chamber" or its equivalent. (R. 54, 110-111, 118-120) Respondent's expert initially contended that very little air entered the accused seat (R. 291) but a demonstration and tests in open Court proved otherwise (R. 376-377). He was then forced to admit that air filled the seat chamber, but then contended that it was stagnant (R. 378). Contrary to this respondent's auto heater expert testified that such air was not stagnant but swirled in the chamber before discharging into the car (R. 150). This and other conflicting testimony was very material to the question of identity of the principles of operation of the two devices, and whether the accused device had the same elements as the patented combination or their equivalents.

But the District Court, in the case at bar, treated the findings of infringement and equivalency as findings of "law" and usurped the jury's functions by making its own factual determinations thereof and by denying petitioner any equivalents contrary to the ruling of this Court.

Respondent (br. p. 10) evades the basic issue of whether there is evidence which can support the jury's verdict of validity and infringement, for the simple reason that there is an abundance of such evidence as petitioner pointed out (pet. br. pp. 27-38) (Petition for Re-hearing for appellant, R. 110-112).

Conclusion.

This Court has *never* accepted for review and set aside a jury's verdict of validity and infringement, supported by evidence, merely because it felt that the invention would have been obvious to those skilled in the art, nor has this Court *ever* held, as did the District Court, that obviousness is to be determined as of the date of issuance of the patent rather than when the invention was made. Therefore important Federal questions are presented which should be settled by this Court since they affect all pending and future patent cases, particularly jury cases.

Respectfully submitted,

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